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**TESTIMONY OF
NATIONAL FEDERATION OF INDEPENDENT BUSINESS (NFIB)
OPPOSING
SB-938, AAC UNEMPLOYMENT BENEFITS FOR STRIKING WORKERS
BEFORE THE
LABOR & PUBLIC EMPLOYEES COMMITTEE
FEBRUARY 7, 2023**

NFIB is the leading small business association in the nation with thousands of members in Connecticut representing a cross-section of the state's economy. For more than 75 years, NFIB has been advocating on behalf of America's small and independent business owners, both in Washington, D.C., and in all 50 state capitals. NFIB is nonprofit, nonpartisan, and member-driven. Since our founding in 1943, NFIB has been exclusively dedicated to small and independent businesses and remains so today. On behalf of those small- and independent- job-providers here in Connecticut, NFIB offers the following comments:

NFIB opposes SB-938. This legislation would result in an unprecedented policy change in that it goes against one of the major tenets of the state's unemployment benefits system – the availability and willingness of an employee to work in order to receive benefits. Making those who leave work because of a strike eligible for unemployment payments undercuts the purpose of the unemployment insurance system and in turn, draws money out of the trust fund, potentially taking away benefits from those who are unemployed through no fault of their own. Additionally, this legislation could result in a situation where an employee out on strike is able to collect unemployment benefits from the state but does not seem to preclude that same employee from also potentially receiving a "strike payment" directly from a labor organization.

Furthermore, it is important to note that recent bipartisan legislation passed in 2021 accomplished balanced, systemic reforms to the state's unemployment system moving forward. Substantial policy changes such as those contemplated in this bill could throw off the balance achieved through that legislation and also result in a greater burden on employers, including most small business owners. When the state's fund drops, the cost to replenish it falls on employers through higher taxes and additional surcharges. Replenishing the solvency of the unemployment fund in the near term and maintaining the fiscal health of the unemployment trust fund for the future is essential for the small business community that finances the program, and for our state's overall economic vitality. NFIB therefore urges the committee to take no action on SB-938.

Thank you for the opportunity to comment and for your consideration of NFIB's concerns on behalf of small business. For any questions or additional information, please contact Andy Markowski, NFIB's State Director in Connecticut, at 860-248-NFIB.